

## Impact case study (REF3b)

<b>Institution: Newcastle University</b>
<b>Unit of Assessment: 25 Education</b>
<b>Title of case study: Low-cost private schools in developing countries: how research and research-based advocacy has changed policy, awareness and understanding and raised investment to improve educational opportunities for the poor</b>
<b>1. Summary of the impact</b>

Prior to the E.G. West Centre's research, low-cost private schools were not on any agency's radar as having a positive contribution to make to "education for all"; our work changed that position dramatically. In terms of significance, since 2008 the research has led to changing awareness, attitudes and policies embracing a positive development role for low-cost private schools from international agencies such as DFID (Department for International Development) and national governments. Philanthropists and investors have also been inspired by the research to bring funding and expertise to improve opportunities for children in these schools. The reach of the research has extended to 20 countries in five continents, including Burkina Faso, China, Dominican Republic, Ghana, India, Kenya, Liberia, Nigeria, Pakistan, Sierra Leone and South Sudan.

<b>2. Underpinning research</b>
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**April 2003 to November 2005;** 'Is Private Education Good for the Poor?'; John Templeton Foundation, USA (1–5). The research was directed by Newcastle's Professor James Tooley (Professor of Education Policy, 1998 to date) with co-investigator Dr Pauline Dixon (Research Associate, Lecturer, Senior Lecturer, then Reader in Education and Development, 2001 to date); in-country teams were employed under sub-contract from Newcastle. This was the first major research investigating the role of low-cost private schools in development, focusing on large-scale quantitative surveys in Ghana, Nigeria, Kenya, India and China. In urban areas a large majority of schoolchildren were found to be in low-cost private schools, while in rural areas, a significant minority were in low-cost private schools. Testing a stratified random sample of 24,000 children in six locations in mathematics, English and one other subject, showed that children in low-cost private schools were significantly outperforming those in government schools, even after controlling for background variables and possible selectivity biases. Low-cost private schools were succeeding in achieving higher standards for a fraction of the overall cost of government schools.

**April 2007 to Dec 2009:** 'Competition, Innovation and Change in Education Markets for the Poor', funded by Orient Global Foundation, Singapore (4). The same research team led the work, with Sugata Mitra (Professor of Educational Technology, 2007 to date) on technological aspects. Schagen worked under sub-contract from the University at the National Foundation for Educational Research. The research measured how educational markets for the poor change over time. In Kenya, for instance, enrolment in private schools had increased by 130 percent in the slums, with many new private schools opening.

**April 2011 to Sep 2013:** 'For-profit private education in the World's Difficult Places', John Templeton Foundation. Directed by Tooley, this research extended the scope of earlier work, exploring low-cost private schools in the slums of Sierra Leone, Liberia and South Sudan. In particular the research explored different types of private school, finding significant numbers of for-profit private schools in poor areas of the countries, which performed comparably to non-profit but significantly outperformed government schools. A new definition of low-cost private schools was created, and household surveys showed that the cost to parents of sending a child to a government school was 75% or more of the cost of sending to a low-cost private. In the slums of Monrovia, Liberia, 8% of children were found to attend government schools, 21% were out of school, and 71% were in private schools. 60% of the private schools were for-profit.

**Oct 2011 to Sep 2014:** 'Extending access to quality education for the underserved', Optimus Foundation. The same research team is exploring financial/business models of low-cost private schools, shaping the development of the sector on the ground, in Ghana, Sierra Leone, Nigeria and India. Action research bringing schools together in networks and branded chains in order to encourage investment and effect educational improvements.

**June 2012 to June 2013;** 'Poverty and School Choice in Lagos State, Nigeria', DFID. Directed by the same Newcastle team, this project is focusing on the parameters of parental choice amongst

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parents. A representative, randomised state-wide survey revealed 69 percent of children in private schools and only 3 percent out of school – many who were formally believed to be out of school are in fact in low-cost private schools. The results have recently been shared with the Lagos State government; the governor has approved them and will launch the findings later this year.

#### 3. References to the research

1. Tooley, J. (2009), *The Beautiful Tree: A personal journey into how the world's poorest people are educating themselves*, Penguin, New Delhi and Cato, Washington DC. **Chosen** as a comprehensive summary of the first two research projects above. It proved a major channel to raise awareness and change attitudes of international agencies, national governments, philanthropists and investors. REF2 output: 157263.
2. Tooley, J., Dixon, P., Shamsan, Y., and Schagen, I. (2010) The relative quality and cost-effectiveness of private and public schools for low-income families: a case study in a developing country, *School Effectiveness and School Improvement*, 21(2), 117-144. Submitted in REF2. DOI: 10.1080/09243450903255482. REF2 output: 139168. **Chosen to** illustrate the depth of statistical analysis undertaken for the research, which was important for the significant impact achieved.
3. Tooley, J., Dixon, P., and Stanfield, J. (2008) The Impact of Free Education in Kenya: A case study in private schools in Kibera, *Educational Management, Administration and Leadership*, Volume 36, No 4, pp. 449-469. DOI: 10.1177/1741143208095788 **Chosen** together with REF 4 to show the way evidence was gleaned on the impact of low-cost private education on policies favoured by international agencies, another important route towards the research's impact.
4. Dixon P., and Tooley, J. (2012) The Impact of Free Primary Education on Private Schools in Kenya: An Update, *Educational Management, Administration and Leadership*, Online Pre-published October 2012, 40(6), 690–706. DOI:10.1177/1741143212456908.
5. Tooley, J., and Dixon, P. (2006) 'De facto' privatization of education and the poor: Implications of a study from sub-Saharan Africa and India, *Compare: A Journal of Comparative and International Education*, 36(4), 443-462. DOI: 10.1080/03507920601024891. **Chosen** as the earliest summary of the research findings and its implications for education for all, which played a crucial role in impact outlined below. Evidence of quality: it is the **most cited article for the journal**.
6. Tooley, J., Dixon, P. and Gomathi, S.V., (2007) Private Schools and the Millennium Development Goal of Universal Primary Education: A census and comparative survey in Hyderabad, India, *Oxford Review of Education* 33(5), 539-560. DOI: 10.1080/03054980701425664. Chosen as part of the evidence presented to international agencies such as DFID which led them to change their policies.

Grant holder(s)	Title	Sponsor	Dates	Award
Pauline Dixon (PI) and James Tooley	Poverty and School Choice in Lagos State, Nigeria	DFID	June 2012 to June 2013	£50,595
James Tooley (PI) and Pauline Dixon	Extending access to quality education for the undeserved	Optimus Foundation	Oct 2011 to Sep 2014	£665,000
James Tooley (PI) and Pauline Dixon.	Low cost private schools in the world's most difficult places. Research on Low cost private education in conflict affected and post-conflict states in Africa	John Templeton Foundation	June 2011 to May 2013	£267,000
James Tooley (PI) and Pauline Dixon and Sugata Mitra	Competition, Innovation and Change in Education Markets for the Poor in Developing Countries	Orient Global Foundation	Jan 2007 to Dec 2009	£1,046,508
James Tooley (PI) and Pauline Dixon	Is Private Education good for the Poor?"	John Templeton Foundation	2003 to Dec 2005	£565,811

Key grants: All research proposals were internationally peer-reviewed.

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**Key awards:** Tooley, Gold Prize Winner, 1<sup>st</sup> Financial Times/International Finance Corporation, Private Sector Development Research Competition, Sep 2006, (presented at the Annual Governors' Meeting of the IMF/World Bank). Judges included international thought leaders Martin Wolf (*Financial Times*), C.K. Prahalad (*Fortune at the Bottom of the Pyramid*) and Nandan Nilekani (Infosys founder). This award was crucial in bringing about changed awareness and attitudes towards the importance of low-cost private education for development, which led to changing policies outlined below.

### 4. Details of the impact

The role played by low-cost private schools in serving the educational needs of the poor was not taken into account by any significant organisation before the E.G. West Centre began disseminating its research; since doing so, numerous agencies have become involved, to the ultimate benefit of poor families in developing countries. *The Economist* (**IMP8**) noted that the "pioneering research" of the E.G. West Centre led to this movement. Examples here illustrate both the nature of the impact and the explicit link to the E.G. West Centre's research.

**International agencies and governments:** Erstwhile Secretary of State for International Development, the Rt. Hon. Andrew Mitchell writes: "Professor Tooley's and the E.G. West Centre's work on private education in developing countries...had a significant impact on Conservative Party and UK Government policy on education in developing countries, and in turn has helped improve the situation on the ground for large numbers of poor children and influenced UK and international thinking on how to make 'education for all' a reality." (**IMP1**). The research inspired, *inter alia*, a voucher program in Pakistan which enabled "hundreds of thousands of poor girls to attend low-fee private schools", and the £300 million Girls Education Challenge Fund "which seeks to stimulate non-state providers to get up to a million girls into school in the hardest places." (**IMP1**). Crucially, the research "provided the evidence upon which we could situate our proposed policy; and it also opened up a space in public debate which meant that a policy approach recognising diversity of education supply in developing countries would be accepted." (**IMP1**). See also (**IMP5**).

The Lagos State Government and DFID (Department for International Development) Nigeria have been heavily influenced by the research. Explicitly based on the E.G. West Centre's findings, DFID created a £25 million 'Making Markets Work for the Poor' project, designed to further improve the workings of the low-cost private school market. The Association of Formidable Education Development (AFED) is the association of low-cost private schools in Lagos, with over 3,000 school members. Previously, the Lagos State Government set out to close all AFED schools. The E.G. West Centre research 'explicitly ... led them to a change of heart' (**IMP3**). A long process of engagement with the government led to the announcement in April 2013 that all AFED school children would now be able to sit the state primary school exams, formally forbidden to them and for the majority effectively ending their school careers. This reform allows 600,000 children in AFED schools to be liberated to continue further education (**IMP3**). From denial to condemnation to active support: this process has been undergone by several governments and agencies, as a direct result of this research.

**International private non-profit organisations:** Non-profits have brought around \$350 million to invest in low-cost private education, directly as a result of Newcastle's research. One such is the microfinance organisation, Edify, USA, which has made loans to over 600 schools in the Dominican Republic, Ghana and Rwanda, directly impacting the lives of over 130,000 children, and will grow to finance 4,000 schools, impacting 1 million children, by 2017. The President and CEO, writes: "Prof James Tooley and the E.G. West Centre are directly responsible for Edify and Opportunity International providing loans and other education resources to low-cost private schools between 2008 and 2013. Neither organization would be in this field without the invaluable research and direct assistance of Prof. Tooley and the Centre." (**IMP6**). Indeed, "Prof. Tooley directly inspired my life's work. As a result, I believe that, over the next 20 years, 20 million impoverished children will receive a much better education than otherwise would have been possible." (**IMP6**).

Another organisation is Gray Matters Capital (GMC), which created the Indian School Finance Company to disburse loans to low-cost private schools. It has disbursed \$11 million to date, and increased loan capital to \$140 million, explicitly inspired by the Newcastle research. The founder and President of GMC notes that the E.G. West Centre's research has "literally been lifechanging": His organisation's "entire vision...has tightened to focus on the APS [affordable private schools]

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sector” **(IMP4)**. “The ground-breaking research of the E.G. West Centre changed the entire focus of our visions, ambition and work” **(IMP4)**.

The IDP Foundation has similarly been inspired to change the direction of its work: The IDP (Innovation Development Progress) President, notes “The IDP Foundation was formed in 2008 and, after becoming familiar with the work of James Tooley, we decided to focus our efforts on the existing low cost private school sector” **(IMP7)**. The Foundation has currently invested \$5 million in creating loans and programme development for educational improvements in Ghana, impacting at least 27,000 children in 105 schools, with the aim of reaching 1,200 schools over the next 4 years. “The inspiration for all this work was the result of the findings and writings of James Tooley”; “Without his writings and research... we would not have even been aware of the global magnitude of this existing low cost private school sector, much less in a position to develop a program to address its needs. As such he has had an enormous impact on the work of the IDP Foundation” **(IMP7)**.

*International for-profit organisations* Corporations have also made investments in low-cost private schools, explicitly as a result of the E.G. West Centre’s research. Omidyar Foundation, Google Foundation and other American companies have invested in low cost private school chains in Africa, including Bridge International Academies in Kenya, and Omega Schools in Ghana and Sierra Leone. Pearson created its Affordable Learning Fund for low-cost private education, initially capitalised with \$15 million, with Sir Michael Barber as Chairman. Sir Michael writes: “I know of few academics who have been so effectively countercultural to the point of ultimately winning the argument, on the basis of original and constantly repeated evidence, effective advocacy and persistence.” **(IMP2)**.

Professor Stephen Ball writes, ‘Tooley performs all three of the functions of policy entrepreneur. He has identified particular educational needs and offers innovative means to satisfy them; he is willing to take financial and emotional risks *in pursuing change*...and has been able to assemble and coordinate networks of individuals and organisations, local and transnational, with the capabilities and resources needed *to achieve change*....He gets things done!’ **(IMP10)**. A ‘movement’ has been created based on this research, which is impacting and will continue to impact the lives, as detailed above, of millions of poor children across the developing world **(IMP8, IMP9)**.

<b>5. Sources to corroborate the impact</b>
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- IMP1:** Testimonial Letter, The Rt Hon Andrew Mitchell MP, former Secretary of State for International Development. 19 Nov 2012.
- IMP2:** Testimonial Letter from Sir Michael Barber, Chief Education Advisor, Pearson and former Director of Tony Blair’s Delivery Unit. 11 Dec 2012.
- IMP3:** Mrs Esther Ifejola Dada, President AFED (Association of Formidable Education Development), letter to the National Executive, April 2013.
- IMP4:** Testimonial Letter from President, Gray Matters Capital, 10 March 2013.
- IMP5:** Lynne Featherstone, Parliamentary Under-Secretary of State, 16 April 2013, letter to Parliament detailing DFID’s activities in low-cost private education.
- IMP6:** Testimonial Letter, President and CEO of Edify Inc.
- IMP7:** Testimonial Statement from President and CEO, IDP (Innovation Development Progress) Foundation.
- IMP8:** "Private Schools for the Poor: Rich Pickings; bad state education means more fee-paying private schools in poor countries". Available at: <http://www.economist.com/node/21550251>.
- IMP9:** "Private Schools for the Poor", by Josh Kwan. Available at: <http://www.ssireview.org/articles/C12/>.
- IMP10:** Ball, Stephen (2012) *Global Education Inc.: New policy networks and the neo-liberal imaginary*, London, Routledge. Especially chapters 3 and 4.